

June 17, 2002

House Committee on Veterans' Affairs  
Subcommittee on Health

Testimony of Hugh Doran, former Director of the VA Medical Center, Kansas City, Mo. From March 1995 to June 2001.

Thanks you for the opportunity to appear before you today. I consider this a distinct honor and privilege. I am further gratified that I will have the opportunity to present my position on this unfortunate chain of events.

On March 5, 1995, I became the Director of the VA Medical Center in Kansas City, Mo. My first day, I toured the hospital and was appalled at the midieval conditions our Veterans were hospitalized in. Nurses had difficulty getting monitoring equipment to the patient's bedside in the Intensive Care Units. Patients were in 4 bed rooms where they could reach over and touch the other. It was antiquated and outdated. We were in a 45- year -old building that had very little upgrading other then air-conditioning. Our Veterans deserved better!

My administration was centered on 2 areas---Quality of Patient Care and Patient Satisfaction. All of my decisions were based on this. I immediately conveyed my priorities to our employees and management staff. I also told everyone that the Veterans Service Organizations were my "Board of Directors". I told all concerned that we were going to become a "patient focused hospital".

Maggot/Rodents

This unfortunate incident was handled expeditiously and appropriately by our staff, including monitoring and follow up by our Medical Staff. I took immediate action to insure our adjacent construction site was secure, informed my superiors and discussed the incident with the families involved. There is absolutely no evidence to establish a relationship between the two nasal myiasis cases and the alleged mouse problem. You have a disgruntled former employee's opinion, who managed to get this article published. There are many other respected physicians who differ. Mice were never trapped or observed at any time in the Intensive Care Unit. No mice were ever noted to have larvae or flies associated with them. The blowfly is extremely common in the Kansas City area. No one can prove the fly did not come in the front door! I hope you don't think this is the only case of a maggot being discovered in a hospitalized patient. Unfortunately, it is not uncommon, certainly under reported but not unusual.

There were 3 incidents of flying insects that invaded the operating room in 1999.

Immediate action was taken to protect the patient and clean the area. As I remember we were not able to identify the entrance path of the insect. This situation was closely monitored by the Operating Room Supervisor and to my knowledge this was an isolated incident in November.

In a 50 -year -old building, you will have an ongoing rodent problem. The key thing is what does one do about it? There were various rodent control initiatives over the years, including our own employee devoted to pest control, followed by contracts with private companies. No one can completely rid the hospital of mice. They will always be there. We tried to control this problem as best we could in this antiquated building in a neighborhood full of vacant lots and vacant buildings.

There was an occasion when both local Union Presidents brought to my attention evidence of mice in the canteen area. I immediately examined the area, asked the Canteen Officer and our Facilities Program Director to clean up the grease area of the stove in question and relocated the storeroom. I asked our Infection Control Nurse to conduct daily inspections and report back to me her observations. I, personally, inspected the area several times following this incident and was satisfied the problem was addressed. I did not have the money to do anything to this area at this time as I was in the process of building a new cafeteria in the basement, which was scheduled to be open in several months. The reason I constructed a new cafeteria is to provide our patients and employees a 'state of the art' facility in conjunction with our own VA kitchen staff. Remember, the Canteen is not under the supervision of the facility Director.

### Budget

Ladies and Gentlemen, each year as Director, I started the fiscal year 4 to 10 million dollars in the RED. Each year this deficit was brought to the attention of my superiors without relief. Despite a meager increase each year in my total budget, I faced each year with a daunting task. I funded our supply allocation, ie. Pharmacy et. Al. and what was left was devoted to salaries. For this reason, I went from 1400 employees in 1995 to 980 employees in 2001. Each year was a struggle. We were not very good at collecting insurance reimbursement in those days, this being the only way to attack the deficit. In 2001 we collected approximately 5 million dollars. Our only alternative was to reduce employment.

The budget allocation process in VISN 15 discriminated against the tertiary care hospitals, Kansas City, Columbia and St. Louis. Tertiary Care is very expensive and we received many referrals for needed care from the other hospitals in VISN 15. The 'transfer pricing scheme' was woefully inadequate in paying us for the expensive care we gave, further diminishing our meager allotment. The total hip patient referred from Leavenworth resulted in a 4 thousand dollar allocation in transfer pricing. I had to buy the hip joint for 4 thousand dollars, so I was losing money before the patient was admitted..

The pharmacy budget increased from 8 million dollars to 18 million dollars during my tenure. Medical supply inflation runs 10 to 15 % each year. We received less than a 3% increase each year. Do you get a feeling now for the challenges I faced each day in trying to remain fiscally solvent? This was a critical element in my performance requirements each year!

### Construction

It is important to note that 10 to 15 years ago there was a 45 million dollar renovation project requested by the VA for the Kansas City VA medical center. Congress did not fund this project despite it being requested each year for several years. I can assure you that if this project was supported at that time, we would not be here today. When I arrived in 1995, I decided that the 45 million dollar project would never be funded and we had to go in a different direction. With the support of the VISN, we designed several 3 to 4 million dollar projects that we could do each year and completely rebuild the important patient care areas of the hospital in 6 to 7 years. We started with a new state of the art 13 bed Medical Intensive Care, followed by a 13 bed Surgical Intensive Care Unit. In addition to these very important initiatives, we completed several local projects including a new endoscopy clinic, new Primary Care Clinics, a new Ambulatory Surgery Suite and rooms, new ENT and Ophthalmology clinics, a new Cafeteria, renovated the Recreation Room and the front Lobby, opened the only Learning Center in the VA or private sector for patients and employees and relocated the Administrative areas from prime patient care space on the first to the 5<sup>th</sup> floor. We are nearing completion on the new Laboratory, which is being completely reconstructed to support tests sent to us from the other VISN 15 hospitals.

The 70 bed Medical ward was completed in the spring of 2001, providing rooms, which were as nice as any in the city. Our veterans deserve nothing less. At this time we began construction of the new Operating Room Suite, to be completed in the fall of 2002. This was our 'crowning' achievement, a much needed facility for the Veterans of Missouri and Kansas. This was a major accomplishment and my appreciation to our local Representatives and our Senators in both Kansas and Missouri.

For the past 6 years, I had two 3 million dollar projects to renovate the 'halls and walls'. I made the decision that the patient care related projects were far more important than the cosmetic changes in the 'halls and walls' project. We definitely need this project and it was my plan to do it after the Operating Room was completed, along with the project to renovate the 5<sup>th</sup> floor to accommodate the Surgery beds and our new SPD. The SPD area has been the subject of attention. I also had a roof project that I was doing in increments, I could not afford to do the entire roof at once, even though we knew it was needed. The SPD problems were directly related to the leaking roof. At no time was patient care compromised because of anything in SPD. Upon completion of the above two projects, we would have a wonderful, state of the art facility, second to none.

A facility our patients and employees would be proud of.

### Workload

During my tenure, our workload dramatically increased. Patients treated went from 12,000 to 32,000 and outpatient visits went from 130,000 to 200,000. Our hospital became a popular place for the Veterans we serve. A significant number of Veterans came to us from the state of Kansas. I believe this dramatic increase in patients was a result of our 'patient focused healthcare environment' initiatives. There is nothing more important than Quality of care and Service. The Kansas City VA and its dedicated employees were the best and the Veterans came. We did not wait for patients to come to us, we took the expertise of the staff to the patient's hometown. We held oncology and GI clinics in Leavenworth and Topeka and ENT clinics in Wichita. This meant the patient did not have to travel to Kansas City. We opened 5 Community Based Outpatient Clinics, providing Primary care near the patient's home.

### Sanitation

It is interesting to note the most vocal individuals regarding sanitation at the hospital are well-known malcontents and/or disgruntled employees or former employees. I can honestly say the housekeeping staff was not reduced any more or any less than other areas. In fact, in 1998, I added 8 positions to the housekeeping staff and purchased 200,000 dollars of new equipment. This decision was the subject of our presentation to the JCAHO, identifying a problem and our solution to it.

At this period of time, several decisions impacted the quality of our sanitation efforts. Our local Union objected to our Compensated Work Therapy program, wherein we were able to use housekeeping job assignments in the rehabilitation program for Veteran patients. At any time there may have been 10 patients in various assignments. We were forced to stop this very worthwhile patient care program while other hospitals benefited tremendously.

Supervisory positions were reduced throughout the hospital. Housekeeping was no exception. In fact, we allowed the night housekeeping staff to function with a work leader. I agreed to this organization after meeting with the Union and the employees and granting their request for individual promotions versus a supervisor position. This did not work as well as we had thought and when we intervened several times with a supervisor giving work assignments, we were hit with 70 Unfair Labor Practices in one day!

More importantly, JCAHO reviewed the hospital in the fall of 1998, reviewing sanitation along with everything else, gave us compliments on the cleanliness of the hospital and a score of 97. In the fall of 2001, another JCAHO review, evaluating the same things gave a score of 99, the highest in the VA system and

probably the highest in the country! Several Service Organizations conducted their cyclic reviews and did not report any significant problems with housekeeping. We had many visitors and I talked to many patients and families and housekeeping or the lack of it, was not a topic of conversation.

Much has been written about the 'consultants' report. In the 1998 timeframe, I contracted with a firm to tell us what was needed in housekeeping. I was mainly interested in his plan for cleaning the respective areas and the frequency needed. The consultant and I discussed his recommendations and agreed that my present staff in housekeeping was equivalent to a 'Ford Escort'! An additional 14 positions would give me a Cadillac. The difference being, frequency of cleaning. We discussed what I needed for a 'Pontiac' and he said, around 8 positions and that is what I ended up increasing the housekeeping staff

During this 1998 timeframe, the VISN Director, Ms. Crosetti called me and told me she had been at a Service Organization picnic and one of the members had told her that he noticed a slippage in the housekeeping efforts at the hospital. She said that she had noticed it also. I told her that it was true and that I was taking the necessary steps to address the problem. I further explained that I had the consultant's report and was hiring positions and that I had lost the services of the CWT program. Everything happened in a short period of time and we were turning things around.

I would have liked to have a 'cleaner' hospital. Unfortunately, I did not have the resources to support housekeeping, as I would have preferred. I can assure everyone that Patient Care did not suffer because of a lack of housekeeping. We must not lose sight of the purpose we are all here for and that is to provide the highest quality of care and no one can argue with our success.

#### Relationship/Crosetti

It was disturbing to read Ms. Crosetti's comments concerning my performance in the Inspector General's report. She never told me that she thought I was 'unsatisfactory'! I did receive a low evaluation in 1999 because of a personnel issue and I was accused of 'lobbying' Congress for the Operating Room project. Guilty as charged for the lobbying! It is hard to believe that she would give me a minimal successful rating in 1999 and an outstanding rating in 2000, about 10 months later. She even gave me a bonus! Suffice to say, my relationship can be measured in outcomes. Ms. Crosetti took great pride in VISN 15 being the best in the country for several years in a row in Performance Measures and Patient Satisfaction. Kansas City was the best hospital in VISN 15 for 5 years in a row in Performance Measures (measuring quality of care) and patient satisfaction. I always used to say, "Kansas City is the engine that pulls the VISN 15 train"! If she thought that I was unsatisfactory, what did she think of the other Director's? Most important, my relationship with Ms. Crosetti did not negatively affect our ability to deliver the highest quality of care

## Summary

I have dedicated 38 years of my life in service to the Veterans in 16 hospitals throughout this wonderful country. While the recent publicity has been terribly biased and one sided, I have been heartened by the many calls and cards from patients, families, employees and volunteers. I attempted to present my position on this matter to the Kansa City Star and interviewed for over 2 hours, only to receive 2 or 3 sentences in the final story. It was so disturbing to see 4 malcontents quoted extensively. I did receive a fair and unbiased report on KMBZ TV last weekend. This episode has been a terrible disservice to me and to the many dedicated and compassionate employees at this fine medical center. Our employees are the finest in the country.

The accomplishments in the past 6 years cannot be overlooked---JCAHO scores of 97 and 99, #1 in Performance Measures and Patient Satisfaction for 5 years in a row, Morbidity and mortality rates are in the top 5% of all hospitals, dramatic increases in satisfied patients using our hospital and the many construction projects mentioned earlier. We have achieved a true **Patient Focused Environment**, my goal in 1995.

Due to budget constraints, I had to make choices and I chose patient care. I provided the highest quality of care to the Veterans of Missouri and Kansas and I am proud of it. Our judge and jury is the Patient's that we serve and our patient's are saying, "we are glad you made the decisions that you did"! The Kansas Department of the Disabled American Veterans organization presented me with their 'Achievement' award in the year 2000, the only Director of a VA hospital ever honored in this manner.

Secretary Principi completely vindicated me as the Director when he ordered the hospital to receive 10 million dollars two months ago for the 'halls and walls' project and for additional employees. I ask you, **"What could I have done with 10 million dollars?"**

Thank you for this opportunity to appear. We do need to move on. Our employees need to get on with **"Keeping the Promise"** to our Veterans. I will address any and all questions.

Hugh Doran

